

STATE STREET COMMISSION

**State Street Commission Meeting
Tuesday, April 16, 2019
2:00 PM
ABC7
190 North State Street
10th Floor Conference Room
MINUTES**

ATTENDANCE

Commission Members Present

Commissioner-Elect Mark Anderson
Commissioner Greg Cameron
Commissioner Mark Kelly
Commissioner-Elect LaVerne Morris
Commissioner Rebekah Scheinfeld
Commissioner-Elect Andrea Schwartz
Commissioner Ryan Segal
Commissioner Anne Voshel

Commission Members Absent

Commissioner-Elect Eric Finnegan
Commissioner John Idler
Commissioner Dean Lane
Commissioner David Reifman
Commissioner John Tully

Others Present

Michael Edwards
Karl Guider
Dwayne Hightower
Julie Jacobson
Laura Jones
Robert Kearney
Commander Michael Pigott
Amy Pooley
Abel Rodriguez
James Turner
Sukmeke Watkins

AFFILIATION

Hines
Joffrey Ballet
DCASE
20 North State Street Condos
Chicago Department of Transportation (CDOT)
Macy's
Acadia
AVA Consultants

CIM Group
ABC7
Palmer House
Department of Planning & Development (DPD)
Department of Streets & Sanitation

Chicago Loop Alliance (CLA)
Chicago Public Library
Department of Streets & Sanitation
Environmental Law & Policy Center
Chicago Loop Alliance (CLA)
42nd Ward
Chicago Police Department
A.C.T.
Chicago Loop Alliance (CLA)
Chicago Loop Alliance (CLA)/CIBC
CTA

I. Call to Order

SSA#1-2015 Treasurer Greg Cameron called the meeting to order at 2:00 PM. Introductions were made around the table.

II. Public Comment

No comments were made by the public.

III. Review of 2018 SSA#1-2015 Audit

The A.C.T. Group CPA Amy Pooley walked attendees through the 2018 audit page by page:

- Page 1 contains the table of contents. Pooley noted that everything is comparative now, detailing years 2017 and 2018.

- Page 2 is the actual independent auditors report, saying that this is a report on the financial statements, and that A.C.T. has audited the accompanying statements of SSA#1-2015 for the years ending December 31, 2018 and 2017. Note that it is management's responsibility for the preparation and fair presentation of these financial statements in accordance with the accounting principals generally accepted in the United States of America. It is the auditor's responsibility to express an opinion on these financial statements in accordance with auditing standards, and to plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. A.C.T. believes that they audit evidence they obtained is sufficient and appropriate and that it was presented fairly. This is a clean opinion.
- Page 3 is the statement of net position and government funds balance sheets. You can see the comparison of the cash balance and the property tax receivables – that would be property taxes that are collected in 2018 but are receivable by the year end but will be received in 2019. A.C.T. estimates that, they have their own allowance for uncollectable taxes, using a formula of 4%. The Accounts Payable line is the amount due to CLA. At the bottom of the page, you'll see a total fund balance of \$103,000.
- Page 4 is the income statement.
- Page 5 is the statement of revenues and expenditures. For the purposes of the audit, we look at each category, not line items, and we're looking for the actual balance. There are a few categories where expenses exceeded the budget, but this is common with SSAs.
- Pages 6-7 contains the notes to the financial statements, which are pretty standard for SSAs. Probably the most interesting disclosure here is the allowance of 4% of the outstanding property taxes. (Commissioners asked if 4% was standard. Pooley replied, yes, except in less reliable neighborhoods, which use a higher amount.)
- Page 8 describes related party transactions, saying that SSA#1-2015 is affiliated with Chicago Loop Alliance, which provides administrative services for it.
- Pages 9 – 10 notes that findings for 2017 and 2018 are the same noted in previous years, in that CLA pays for expenses in a unique way, which has been approved by the city. The rest are standard findings.

Pooley asked if there were any questions about the process or the report. Hearing none, Abel Rodriguez commented that at the prior meeting we reported that it appeared the carry over was going to be \$103,000 which was less than we anticipated. More was originally budgeted for 2019. The 2019 budget will have to be adjusted to reflect this.

A motion to accept the SSA#1-2015 audit for 2018 was made by Commissioner Kelly and seconded by Commissioner Voshel. The motion passed unanimously.

IV. Review of First Quarter Performance Metrics and Expenses

Abel Rodriguez led the group through the Budget Summary which was presented last month. At the time he wanted to show Commissioners that we had received a good portion of the first installment of the SSA money in March, so not a lot has changed. Nor is there a lot of activity in the first quarter, with the exception of equal monthly landscaping and Street Team payments. Expenses will rise as we start doing and marketing summer events.

- In the first column, Commissioners will see that we budgeted \$110,000 for the carry over line, however, the audit determined that figure was actually \$103,000 so we're short \$7,000. This means we will have to adjust the budget during the year.
- The next column is the percentage complete. In the first installment we received \$46,000 and we received approximately another \$112,000 so far this month (April), so we are close to receiving what we expected.

- We are keeping an eye on SSA late collections and interest. DPD always wants us to add an amount there for what they call “the wish list.” They have asked us to put \$39,000 in this line when we develop our 2020 budget but based on our past experience of a negative balance, Rodriguez has asked Mark Roschen and Paul Reise if we can use zero instead. (This year the city gave back \$19,000 to taxpayers.)
- Normally, we report finances as of the end of the month, but this is the end of the quarter, so we attach a metric performance system to the budget showing you more detail of where the money is being spent and the results. For example, we set goals and then report on the outcome -- how many banners actually have been hung, how much snow has been removed, how many unique home page website visits there have been and so forth. Then we show actuals of previous years so we can make a comparison. We also show our vendors and what they do. All voting Commissioners received this spreadsheet by email for advance review last Friday. Rodriguez called for questions. There were none.

Michael Edwards explained to new Commissioners that all SSAs (over 50 of them) are required to report in the same way.

A motion to accept the 2019 First Quarter SSA Performance and Expenses Worksheet was made by Commissioner Voshel and seconded by Commissioner Segal. The motion passed unanimously.

V. Approval of Minutes

A motion to approve the minutes from the Tuesday, March 19, 2019 State Street Commission meeting was made by Commissioner Voshel and seconded by Commissioner Segal. The motion carried unanimously.

VI. Status Reports/Outstanding Issues

- **DCASE:** Commissioner Kelly reported that 2019 has been proclaimed the city-wide Year of Chicago Theatre celebration, thanking CLA for their participation in this initiative. We have 250 theatres doing over 1,000 productions each year. New York and London can’t match this. As CLA’s economic arts and culture study reminded us, theatre downtown brings in tens of thousands of people and millions of dollars each year – and that number includes more than Broadway in Chicago show revenue. For the Year of Chicago Theatre, we’re planning a theatre in residence in Millennium Park every weekend. The Riverwalk is opening May 13th, and a new marketplace there will be open by June. The Memorial Day Parade is on May 25th, followed by House Music, Blues and Gospel fests.
- **Security:** CPD’s Commander Pigott requested that the permit for the wreath laying ceremony in Daley Plaza preceding the Memorial Day Parade stipulate that it includes the sidewalks to the curbs. Last year there were demonstrations that upset the veterans. If CPD has a copy of the permit covering the entire plaza, demonstrators won’t be able to set up. Regarding crime statistics, the First District had another good week. Robberies are down 40% to date, on top of a 25% decrease from last year, burglaries are down as well and bucket boy calls have lessened due to a more proactive approach. (Commissioner-Elect Morris asked if she should still tell residents to call in noise complaints? The Commander responded, yes, call 911, this is an issue of importance to residents. The law says if the bucket boys or others can be heard more than 100’ away, CPD can move them. Call until further notice.)
- **Sole Service Provider Report:** Michael Edwards said that he was going to ask CDOT, Julie Jacobson from the Environmental Law and Policy Center, and others to help him out with a report on the pedway, a complex mix of public and private property, which has received recent negative publicity.
 - **Pedway:** There is private security in place on either side of Macy’s but not in the Macy’s stretch, so CLA is going to ask its Street Team and HLSA to go down there and monitor activity. Commander Pigott said CPD has been doing pedway missions for the last 6 weeks, but the lack of loitering and sitting/lying laws make enforcement difficult. Commissioner-Elect Schwartz said that in addition, DFSS is going to start making rounds and Macy’s is cleaning a section

of the 15,000 square foot pedway each day. There will be less loitering as the weather gets better. Macy's is also working with OEMC to install cameras. Commissioner Scheinfeld said that she did have a productive Pedway Committee meeting with Alderman Reilly and others yesterday, and soon there will be permission to enter into private operating agreements with owners. Also, a CMAP application for infrastructure funding and signage has been submitted. There won't be a response until June or later. We will need a local match of a few million dollars, but it would be best if it went toward activation rather than infrastructure. Julie Jacobson from ELPC said they have been working on ways to revitalize the pedway for the past few years, creating a plan that was scalable. They need private property owners to participate, and accessibility needs to be incorporated in the grant request (which they have been assisting with.)

- **Economic Profile Update:** Edwards said that in 2013, CLA did an Economic Profile of the Loop report. The 2019 update is now almost completed. Although CLA, rather than SSA, funds were used for this report, he will make sure that all Commissioners receive a copy of the update.
- **State Street Business Council:** Meeting packets contained a summary of CLA's recent State Street Business Council meeting, which is composed of a group of retailers primarily located on State Street. Edwards drew the attention of Commissioners to page 2 of the summary, which had to do with a presentation on homelessness, and the Coalition for the Homeless's belief that housing for the homeless is the solution to many of our problems. The Coalition is proposing a transfer tax to fund such housing, which has not been embraced by the current administration.
- **CLA President's Report:** One of the things the State Street Commission wanted was a faster police response time in the SSA. Earlier this year, Streetplus contracted with HLSA, a private security firm utilizing off-duty officers and trained guards, to patrol the SSA. Beginning on page 8 of the President's Report, is an almost verbatim incident report of their activities. The President's/HLSA report is also given to the CLA Board, who have recently suggested that we need to be more sensitive about its contents. Please do not share this document; in the future we will be more sensitive to the demographics on the street.
- **Introduction:** Edwards introduced CIBC's James Turner to the group, who was elected as CLA's new Chairman of the Board.
- **DPD:** No one from the Department of Planning & Development was at the meeting to give a report.
- **CDOT:** Commissioner Scheinfeld relayed that IDOT will provide funding to resurface Michigan Avenue to Jackson. This will likely occur in late summer or early fall before the Chicago Marathon. Sections of Michigan Avenue near the Art Institute may be done sooner than that to accommodate the opening of the Andy Warhol exhibit. The only other update CDOT has is that the State/Lake El Station contract is still being finalized. They are pleased with the team, but this is a long process.
- **Streets & Sanitation:** Dwayne Hightower said the department is preparing for parade season, and the city-wide Clean and Green semi-annual event, whose focus is on cleaning up neighborhoods and blighted areas. The mayor-elect may participate this year. Regarding the Big Belly replacements, there is no update.
- **CTA:** Sukmeke Watkins reported that the CTA is working to upgrade all of the lighting in stations to LEDs. Michael Edwards asked her for a press release on the upgrade. Laura Jones asked her for a contact information for CTA security personnel to give to CLA's Street Team. There are opportunities for synergy.

VII. Other Business

Treasurer Cameron invited everyone to enjoy a beautiful evening of dance on Saturday, April 28th at 7:30 PM. The Joffrey Ballet will perform at the Auditorium in honor of outgoing Mayor Emmanuel and his support of the arts. There will be a party after the performance.

Re-nominated Commissioners were reminded that their city and county ethics statements are due in May. Commissioners-Elect have already submitted their statements as part of the application process.

The next SSA #1-2015 State Street Commission meeting will be held on Tuesday, June 18, 2019 at 2:00 PM at ABC7. The agenda includes a first look at the Budget/Plan for 2020, which sole service provider CLA will draft and the Commission will review and amend. The new EAV comes out in mid-June, which may necessitate additional budget adjustments.

VIII. Adjournment

A motion to adjourn the meeting was made at 2:50 PM.

Respectfully Submitted,

Ryan Segal
Secretary